

Communal Infrastructure Works in Albanian Alps Area

Project Financing

WBIF	Grant	WB6-ALB-SOC-14	€ 989,446
CEB	Loan		€ 28,700,000
Beneficiary Contribution	Own Contribution		€ 5,954,015
CEB	External Grant		€ 1,000,000
Total			€ 36,643,461
Total Grants			€ 989,446
Total Loans			€ 28,700,000

Project Description

The Albanian Alps area is located in the northern part of Albania and borders Montenegro to the west. It consists of ten rural communes with a population of around 35,000. The absence of diversified economic activities, high unemployment rate, and the poor state of infrastructure in the area (road networks, water supply, and wastewater collection and treatment, health provision, education facilities, and flood protection) represent major obstacles in the way of development and are causing increasing depopulation.

The Government of Albania has recognized the need to invest in the improvement of basic municipal infrastructure and services in the Alps in order to improve the living conditions of the residential population and contribute to economic growth, particularly by capitalizing on the region's tourist potential.

Selective road reconstruction activities have already begun (under the [Feeder Roads programme](#)) but furthermore is in need of being planned for and implemented. For the purpose of the former, the WBIF has allocated a €3 million grant to the development of:

- a master plan for the development of the area - with a focus on tourism - which includes local strategies and socio-economic assessment of the communes, development plan drafts, a communal infrastructure investment plan focused primarily on waste management, water and wastewater treatment, flood protection, erosion control and similar, and the preparation of detailed thematic maps for potential development options;
- a feasibility study for major communal infrastructure works which will be supported by the CEB loan and which includes a programme for detailed design.

Grant activities started in June 2016 and completed in December 2017.

In addition to the loan, the CEB may be able to provide an interest rate subsidy of up to EUR 1 million to add to the financial sustainability of the project.

Results and Benefits

- Reduction of unemployment and underemployment in the area through the creation of new jobs and intensification of existing economic activities
 - attraction of investments in the area
 - reduction of families living under the poverty line
 - improvement of the quality of basic services
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- **Countries:** Albania
 - **Code:** PRJ-ALB-SOC-003
 - **Sector:** Social
 - **Lead IFI:** CEB
 - **Status:** Completed
 - **Beneficiary:** Albanian Development Fund